

Second Congregational Church

Budget Q&A

Last Sunday 10 church members joined the discussion on our 2019 budget. Phyllis Ives was there for the Trustees and Pam Gormley as Treasurer. During the week, several other people sent their questions in.

Here is a summary.

*Why does the operations budget show a deficit of \$47,566 for 2018 and yet we have a balance forward of \$21,000?*

What was not included in Income for 2018 was \$28,563 balance forward and \$27,850 transfer from Savings to augment the \$20,000 grant for our HVAC upgrade. These sums were not included as they are not Income – rather funds that are available. When those two amounts are added to the budget, we end up with a surplus of \$8,847.

The balance forward for 2019 is the amount that was in the checking account as of 12/31/18. Most of the difference is Accounts Payable and also some deposit timing as we crossed from one calendar year to the next.

*Shouldn't there be a deficit in the Reimagine budget for 2018?*

Yes and it is \$7,691. As we look at changing our structure, we are also changing how we allocate income and expenses in our budget. That was easy going into 2019, but less straight forward for 2018. All bills have been paid.

*Why is the building number so high in 2018?*

That is due to the additional expense for our HVAC upgrade. Please see the first question.

*If the Congregation does not approve the proposed change to our Governance structure, what will that do to our 2019 budget?*

We would be approving the operations portion of the proposed budget only.

*Do we ever audit our books?*

This year, a local CPA (Bruce Bachelder) supplied us with an outline for an audit. Our assistant treasurer worked with our bookkeeper (Sunnyside Accounting) and found everything was in compliance.

*Respectfully submitted,*

*Pam Gormley, Treasurer*

*Phyllis Ives, Trustee*